



## **Arkansas Advanced Energy Association Unveils State Energy Policy Recommendations in Little Rock**

*New survey shows 88 percent of Arkansans believe advanced energy important to state's growth*

Little Rock, Arkansas – June 28, 2012 – The Arkansas Advanced Energy Association (AAEA) unveiled policy recommendations today for inclusion in a comprehensive state energy plan following a year-long collaborative process engaging more than 70 advanced energy industry leaders from across the state. And a new survey, also released by the group, revealed a complementary finding that Arkansans support their political leaders to do more to further advanced energy and overwhelmingly support advanced energy.

"Arkansas's existing advanced energy assets can be harnessed to diversify the state's energy portfolio and drive economic growth for its companies," said Steve Patterson, executive director of AAEA. "That's why we convened more than 70 advanced energy leaders over the course of a year to reach consensus on policy measures that will encourage private investment and expansion in the alternative fuels, energy efficiency and renewable energy sectors."

AAEA enabled a data driven process to collect information directly from industry and business leaders. Multiple industry working groups convened over the course of a year in the efficiency and renewable energy, clean tech market development, and bio energy sectors to discuss and to propose state level actions that could expand Arkansas's energy workforce and manufacturing base.

"Our business and energy leaders don't oppose any form of energy," Patterson said. "Looking ahead, they recognize that it will take a diversity of resources to meet increased energy demand and Arkansas has an opportunity to profit. Their recommendations represent a consensus on policy measures that should encourage private investment and expansion in the alternative fuels, energy efficiency and renewable energy sectors." "It's encouraging to see that Arkansans also recognize the economic viability of the advanced energy sector."

The survey, sponsored by Advanced Energy Economy (AEE), its state chapter, Arkansas Advanced Energy Association (AAEA), and their charitable affiliates, found that 88 percent of Arkansans think it's important to the state economy to manufacture advanced energy products like batteries for power storage, high-efficiency motors and equipment, and wind turbine components. In fact, by a more than three-to-one margin (61 percent to 17 percent), Arkansans believe Congress should continue to promote wind energy by extending existing tax credits for wind energy.

The survey results were released today with executives representing a range of advanced energy companies in Arkansas including Nordex USA, FutureFuel Chemical Company and Clean Line Energy Partners.

The survey comes as new technologies create opportunities for the United States to both produce more of its energy domestically and also provide advanced energy solutions globally. And it comes as Americans remain concerned about energy issues. The majority of those surveyed believe that a gallon of gasoline will cost \$5 or more within five years and one in 5 Arkansans believe that United States' current dependence on foreign oil is a "crisis," while three in five call it a "major problem."



But Arkansans see advanced energy as part of the solution. Fifty-seven percent said that efforts to make greater use of energy-saving technologies like high-efficiency lighting, appliances, and insulation mostly create American jobs. And 85 percent said it is important for the state's political leaders to do more to further advanced energy in Arkansas.

"Technology and innovation are providing an opportunity for Americans to take control of their energy future," said Gary McChesney, Chief Technology Officer of FutureFuel Chemical Co. and Chairman of the Board of AAEA. "Advanced energy encompasses a range of products and services, but they all contribute to a smarter energy future. That is why we speak with a single voice for the potential of advanced energy to bring jobs and economic growth to Arkansas now and in the future."

Additional results from the survey include:

- More than four in five Arkansans (81.6 percent) view the United States' current dependence on foreign oil as a crisis or a major problem.
- Thinking about how electricity is made and delivered in the U.S. including its cost, reliability, safety, public health impact, and environmental impact, over half (55.5%) of Arkansans say the U.S. is in a state of crisis or has major problems.

The online survey of 514 Arkansas adults was conducted by JZ Analytics for Advanced Energy Economy and Advanced Energy Economy Ohio June 19-21, 2012. It has a margin of error of +/- 4.4 percentage points. Full survey results are available at [www.aee.net/Arkansas](http://www.aee.net/Arkansas).

"Advanced energy is helping to change energy from a risk to an economic opportunity. This is true not just in Arkansas but across the nation," said Graham Richard, CEO of AEE. "This survey demonstrates that the people of Arkansas see the value of advanced energy companies in Arkansas and elsewhere. They bring energy-saving technologies to market and create jobs that are needed to fuel our economy."

### **Arkansas Advanced Energy Association Guiding Principles for a State Energy Plan**

The AAEA Board of Directors has approved the guiding principles for a state energy plan based on the AAEA's commitment to growing Arkansas's economy by expanding our energy workforce and manufacturing base through the increased development, manufacture, and utilization of advanced energy technologies.

The policy recommendations include:

### **ALTERNATIVE FUELS**

Consider state incentives for:

- Installation of commercial electric recharging and alternative refueling stations. Alternative fuels would include electricity, compressed natural gas, liquefied natural gas, gas/ethanol or butanol blends, diesel/biodiesel or renewable diesel blends;
- Installation of electric recharging and alternative fuel components for homeowners and businesses on their properties;
- Installation of electric recharging and alternative fuel components for state agencies, county and municipal governments and educational institutions;
- Purchase of new engines and equipment to modify existing engines that use alternative fuels;
- Purchase of electric vehicles;
- Biofuels produced or sold in Arkansas.

### **ENERGY EFFICIENCY**



Consider legislative and regulatory initiatives to:

- Continue electric and natural gas utility energy efficiency programs and raise the Energy Efficiency Resource Standard as utilities improve delivery of energy efficiency programs;
- Upgrade Arkansas's Energy Code for residential structures to meet 2009 IECC Standards and require provisions for evaluating the energy efficiency performance and labeling of homes;
- Amend the Guaranteed Energy Cost Savings Act to allow state agencies to use maintenance and operation appropriations for payment of equipment and energy efficiency improvements required through a guaranteed energy cost savings contract. Designate the Arkansas Energy Office as the administrator of the amended act;
- Encourage state funded institutions to participate in energy efficiency programs;
- Create residential and commercial financing options for energy efficiency improvements with repayment of upfront costs. Best practices from emerging financing models should be implemented to maximize energy savings, to stimulate demand for energy efficiency, and to protect consumers and utilities.

## **CLEAN AND RENEWABLE ENERGY**

A state Clean Energy Standard (CES) would encourage deployment of clean energy technology that diversifies the state's energy supply, improves energy security and creates jobs. AAEA recommends that within a CES, an increasing percentage of the state's generation portfolio come from renewable energy sources, ensuring that Arkansas maximizes the benefits. Such a program should include target allocations for in-state electrical generation by solar, wind and biomass and expanded capacity goals for hydropower facilities.

In addition, incentives should be considered for:

- Manufacture of solar photovoltaic components similar to those for wind component manufacturing in Arkansas;
- Manufacture of transmission cable for carrying renewable generated electricity similar to those for wind component manufacturing in Arkansas;
- Manufacture of components utilized to store electricity produced by wind and solar;
- Installation of renewable energy components on commercial, industrial and residential properties;
- Storage facilities for electricity produced by wind and solar;
- All renewable electricity that is purchased from generating facilities that are built of equipment substantially manufactured, fabricated or assembled in Arkansas

## **RESEARCH AND DEVELOPMENT**

- Recognizing the importance of research and development in contributing to the state's on-going leadership in the field of advanced energy, Arkansas should encourage its research consortia, alliances and public/private partnerships to focus efforts and attention on the opportunities offered by advanced energy and technology.

*About the Arkansas Advanced Energy Association and the Arkansas Advanced Energy Foundation*  
Founded last year, the Arkansas Advanced Energy Association (AAEA) is dedicated to growing Arkansas's economy by expanding the energy workforce and manufacturing base through the increased development, manufacture, and utilization of advanced energy technologies. AAEA includes a unique blend of manufacturers, entrepreneurs, small business owners, educators, researchers, consultants and public officials whose common interest and expertise focuses on advanced energy development and economic expansion in Arkansas. The Arkansas Advanced Energy Foundation performs research, public education and economic and workforce development in support of AAEA's mission to create jobs and grow the advanced energy sector.

*About Advanced Energy Economy and the AEE Institute*

Advanced Energy Economy is a national organization representing the entire advanced energy industry. AEE's mission is to influence public policy, foster advanced energy innovation and business growth, and provide a unified voice for a strong U.S. advanced energy industry that will drive the global transition to a smarter energy future. The AEE Institute's mission is to raise awareness of the public benefits of advanced energy, drive the policy debate on key topics, and provide a forum where leaders can address energy challenges and opportunities facing the U.S.

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